

A PRESENTATION OF THE MASTER PLAN FOR THE KINNICK STADIUM RENOVATION PROJECT WILL TAKE PLACE AT THE DECEMBER MEETING

G.D. 12a

MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Register of University of Iowa Capital Improvement Business Transactions for Period of October 17, 2003, Through November 12, 2003

Date: December 4, 2003

Recommended Actions:

1. Take the following actions for the major capital projects, as defined by Board policy adopted in June 2003.
 - a. **Kinnick Stadium Renovation** project (see pages 4 through 16).
 1. Receive the master plan report;
 2. Acknowledge receipt of the University's interim submission of information, based on the master plan report, to address the Board's capital project evaluation criteria (pages 13 through 16);
 3. Carefully review and consider the evaluation criteria information submitted to determine whether the desired standards for the criteria are being met; and
 4. Consider the program statement.
 - b. **University Hospitals and Clinics—Ambulatory Surgery Center and Procedure Suite Development** project (see pages 17 through 21).
 1. Acknowledge receipt of the University's submission of information to address the Board's capital project evaluation criteria (pages 20 and 21);
 2. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 3. Authorize permission to proceed with project planning, including the architectural selection process.

2. Approve the following items for the major capital projects, for which the Board previously received the capital project evaluation criteria.
 - a. **University Hospitals and Clinics—Intermediate Pulmonary Care Unit Development** project (see page 22); architectural agreement with HLM Design USA, Iowa City, Iowa (\$255,200).
 - b. **West Campus Chilled Water Plant Development/Expansion** project (see page 23); engineering agreement with Midwest Construction Services, Solon, Iowa (\$205,000) to provide construction inspection services for the project.
 3. Approve the remainder of the items on the Register of Capital Improvement Business Transactions for the University of Iowa.
-

Executive Summary:

Requested
Actions

The University requests approval of the following items for major capital projects (new construction or renovation projects with estimated budgets of \$1 million or more):

Master plan report (presented for Board receipt) and program statement (presented for Board consideration) for the **Kinnick Stadium Renovation** project which would address the most critical deficiencies with the stadium, including replacement of the south end zone bleacher area and west side press box, renovation of the concourse, concession and restroom areas, and replacement of mechanical, plumbing, and electrical systems (see page 4).

- The University plans to complete the project in two phases.
 - The first phase would begin at the completion of the 2004 football season, and the second phase would begin at completion of the 2005 football season; substantial completion of the project is expected prior to the 2006 football season.
 - The major, most disruptive construction work in each phase would be undertaken between football seasons; the less disruptive work would continue throughout the football seasons but would be scheduled so that no interruptions in game-day activities occur.
- The current cost estimate for the project, based on the master plan, is \$88.5 million.
- The University proposes to fund the project with the issuance of up to \$100 million in bonds, which would be issued in a series of individual borrowings within a two-year period due to the magnitude of the project and the aggressive construction schedule.

- The University anticipates that the complete Financial Plan will be provided to the Board and reviewed with the Banking Committee and Board at future meetings.
- The Financial Plan is likely to include repayment of the debt service on the bonds with revenue from the following sources:
 - Private funds to be raised for the project (estimated at \$10 million to \$15 million over a five-year period);
 - Premium seating areas (revenue estimated to total \$6 million per year beginning with the fall 2006 football season) and other priority seating programs to be developed within the stadium; and
 - Expanded concession sales (estimated at an additional \$195,000 per game).
- The Board Office recommends that the Board carefully review and consider the evaluation criteria information submitted to determine whether the desired standards for the criteria are being met.
- The program statement and master plan booklet is included with the Board's docket materials.

Permission to proceed with project planning for the **University Hospitals and Clinics—Ambulatory Surgery Center and Procedure Suite Development** project which would finish approximately 62,000 gross square feet of space on the fourth level of the Pomerantz Family Pavilion to house the UIHC Ambulatory Surgery Center, and surgical functions of the Department of Obstetrics and Gynecology In Vitro Fertilization Program and the Department of Dermatology (see page 17).

Architectural/engineering agreements with:

HLM Design USA, Iowa City, Iowa (\$255,200) for the **University Hospitals and Clinics—Intermediate Pulmonary Care Unit Development** project which would renovate space adjacent to the existing Medical Intensive Care Unit in the Carver Pavilion to consolidate the services of the two units (see page 22).

Midwest Construction Services, Solon, Iowa (\$205,000) for construction inspection services the **West Campus Chilled Water Plant Development/Expansion** project which would construct an addition to the existing plant to increase its chilled water capacity to serve the expanding needs of the west campus and Arts Campus (see page 23).

The University requests approval of the following items for projects with budgets between \$250,000 and \$1 million:

Project descriptions and budgets:

University Hospitals and Clinics Roofing Replacement—Roof Group 14 project (\$987,000) which would replace deteriorated roofing materials on the Carver, Colloton and Pappajohn Pavilions (see page 25).

University Hospitals and Clinics—Colloton Pavilion Water Pressure Regulator Replacement project (\$338,000) which would replace the failing water pressure regulators for the Colloton Pavilion domestic water system to improve the hot water service (see page 26).

Kinnick Stadium Renovation

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		March 2003	Approved
Architectural Selection (Neumann Monson Architects, Iowa City, IA)		June 2003	Approved
Initial Review and Consideration of Capital Project Evaluation Criteria, Subject to Further Review with Master Plan		July 2003	Received Report
Architectural Agreement—Programming, Master Planning and Schematic Design Services (Neumann Monson Architects, Iowa City, IA)	\$ 1,599,000	July 2003	Approved
Authorization for Use of Construction Manager Services		Sept. 2003	Ratified*
Construction Manager Selection (Mortenson, Minneapolis, MN)		Sept. 2003	Approved
Authorization for Executive Director to Approve Negotiated Construction Manager Agreement		Sept. 2003	Approved
Master Plan Presentation		Dec. 2003	Receive Report
Interim Review and Consideration of Capital Project Evaluation Criteria		Dec. 2003	Receive Report
Program Statement		Dec. 2003	Requested

* Authorized by Executive Director

Background

Kinnick Stadium was constructed in 1929, and much of the stadium has received few improvements since that time. (A map of the Kinnick Stadium area is included as Attachment A.)

A recent analysis of the south end zone structural system has estimated its remaining life expectancy at less than five years.

The stadium's plumbing systems are original to the facility's construction and require extensive maintenance.

The number of men's and women's toilet facilities and concession stands is inadequate for the stadium population.

The stadium press box, constructed in the mid-1950s, suffers from awkward elevation changes and low ceiling heights; its heating, cooling, and plumbing systems are original to the structure and in need of replacement.

When permission to proceed with project planning was granted, the University indicated its intent to develop a master plan for the major renovation of the Stadium.

Project
Consultants

The following consultants have assisted in the development of the master plan for the Kinnick Stadium Renovation project:

- The firm of Neumann Monson Architects, Iowa City, Iowa, in association with the stadium design firm of HNTB, Kansas City, Missouri, is providing the master planning and design services for the project (approved by the Board in July 2003).
- The construction management firm of Mortenson, Minneapolis, Minnesota, is providing cost estimating, contractor coordination and management, and construction scheduling services to avoid disruption of the football seasons and to ensure maximum participation by Iowa-based construction firms (approved by the Board in September 2003).

The University has retained two additional consultants to aid in developing a financial plan that would provide the necessary funds to accomplish the project.

- Martin Grenzebach, Chair of Grenzebach, Glier and Associates (philanthropic management consulting firm) of Chicago, Illinois, was retained to evaluate the history of recent donations to the Athletic Department and to provide initial market research on the potential for future private support for the Kinnick Stadium renovation project.
 - The Grenzebach firm has a successful record of providing market studies and business plans for the University and the University of Iowa Foundation.
- Conventions, Sports and Leisure International (CSL) (an advisory and planning firm specializing in providing consulting services to the sports, entertainment and leisure industries) of Plano, Texas, was retained to develop a business plan for the project.
 - Jay Lenhardt, the CSL principal on the Kinnick Stadium project, recently consulted on the successful remodeling of the Purdue University Ross-Aide Stadium.

These two firms have conducted detailed marketing and business research related to the project; the results of this research provide the basis for both the business plan and project scope proposed by the University.

Master Plan
Overview

The master plan for the Kinnick Stadium Renovation project has been completed and is detailed in the booklet provided to the Board. The recommendations of the master plan are based on the following objectives and needs:

- Maintaining and increasing safety for all fans and student athletes;
- Improving access and egress for all fans and student athletes;
- Achieving an acceptable level of fan service and comfort;
- Providing a game-day experience that encourages fans and University supporters to return;
- Respecting the history and architecture of Kinnick Stadium;
- Improving functional and visual experiences for both game-day and non-game-day activities within the entire project site;
- Improving the site design to better represent a major campus entry point; and
- Funding the project with additional revenues to be gained from stadium enhancements and private donations from supporters of the University of Iowa football program.

The master plan has grouped the work proposed for the Kinnick Stadium Renovation project into three general components:

- Stadium Rehabilitation and Long-Range Stewardship
- Revenue Generating Facility/Press Box
- Stadium Surroundings

A program statement has been developed for each of the three project components and is detailed on the following pages.

STADIUM
REHABILITATION
AND LONG-RANGE
STEWARDSHIP

The proposed scope of work for this component consists of the repair and modernization of outdated stadium components that serve both fans and student-athletes.

South End Zone

The south end zone bleacher area, which consists of wooden plank seating and walkways supported by tubular steel framing, is the only seating area in the stadium that is not supported by a permanent structure; the existing structural system in this area has been in place for more than 20 years.

In recent years, the University's annual analysis of the south bleacher structural system has identified a probable remaining life expectancy for this system, which is currently estimated at less than five years.

The University reports that replacement of the entire south bleacher area structural system is the only option to address its current condition. The University further reports that the south bleacher area also suffers from egress and accessibility limitations.

The University proposes to demolish and replace the existing south end zone bleacher seating and structural system, and construct a south concourse area below the new seating area with code required restrooms, concession stands and game-day support spaces.

To improve safety and access within the stadium for student athletes and Department of Athletics personnel, the University proposes to relocate the football team locker rooms and support spaces from beneath the east concourse to space beneath the south end zone; the relocation would also provide additional space for restrooms in the east concourse area.

The University also proposes to replace the existing scoreboards and outdated sound system in response to the structural changes resulting from replacement of the south end zone seating area; these upgrades would also respond to fan needs.

East and West
Concourses

The size and organization of the east and west concourse areas and concession stands need to be upgraded to better serve the current fan population.

The current number of concession stands does not provide efficient service for the stadium population and results in long lines and congestion within the concourse areas.

The University proposes to renovate and upgrade the existing east and west concourse areas to improve traffic flow and meet current code requirements for restrooms and concession stands, create improved stadium access routes and seating in accordance with accessibility codes, and improve ingress and egress routing.

Infrastructure

Much of the stadium's infrastructure is antiquated and does not

appropriately serve visitors to the stadium.

The plumbing systems throughout and below the concourse areas of the stadium, which are original to the facility's construction, require extensive maintenance.

Based on standards of comparable stadiums, the number of both men's and women's toilet facilities in Kinnick Stadium is inadequate for the stadium population.

The University proposes to replace the outdated plumbing that serves the east and west concourse areas.

REVENUE
GENERATING
FACILITY/
PRESS BOX

The proposed scope of work for this component consists of constructing a larger press box facility which would provide a variety of premium seating areas; the development of premium seating is necessary to generate the additional revenue to finance the renovation project.

The stadium press box, constructed in the mid-1950s, has been expanded to the extent possible within the limits of its original structure.

Each floor of the press box suffers from awkward elevation changes and low ceiling heights.

The heating, cooling, and plumbing systems are original to the press box and in need of replacement.

Only one elevator serves the entire press box area, resulting in overloaded and inconvenient egress from the structure.

The existing press areas cannot accommodate the basic needs of the local and national print and broadcast media that cover the football games.

The University reports that it would be more costly to renovate than to replace the press box.

The University proposes the following scope of work for this project component:

- Demolition of the existing press box and construction of a four-level press box structure with mechanical systems that would provide year-long use.
- Construction of premium seating areas within the new press box to include suites, indoor and outdoor club seats, and indoor club space for preferred game day seating and scheduled non-game-day events.
 - The proposed seating amenities are based on data collected through the consultants' market studies.
- Construction of print and broadcast media areas within the press box.

- Construction of a code-required stairway and elevator towers to serve the entire press box, and ground level entry vestibules and service areas.
-

STADIUM
SURROUNDINGS

The proposed scope of work for this component consists of site work to improve vehicle and pedestrian circulation in the vicinity of Kinnick Stadium.

Campus/Stadium
Entrance

The Kinnick Stadium site, at the intersection of Melrose Avenue and Hawkins Drive, has been identified as a major entry point to the University of Iowa campus; however, the existing roadway configuration does not adequately serve this function.

Kinnick Stadium lacks a major entry feature which results in unsafe pedestrian traffic patterns into and out of the stadium on game days.

With heightened security issues, public re-entry into Kinnick Stadium is prohibited once entrance is gained; this has created a need for more accessible open space for pedestrian traffic during the game.

- The University proposes to create a South Plaza stadium entrance area which would function as a major campus entrance and as a main entry to Kinnick Stadium from Melrose Avenue on game days; this area would also provide additional pedestrian circulation space to address security and safety concerns.
- The University also proposes paving enhancements throughout and around the Kinnick Stadium site to improve pedestrian and vehicular traffic circulation.

Parking Lot 43

The West Campus Chilled Water Plant Development/Expansion project, which will construct an addition to the chilled water plant (located north of Kinnick Stadium), will require the installation of a utility pathway from the plant through the existing parking Lot 43 located west of the stadium.

The parking lot is in a deteriorated condition and is in need of replacement; the University also wishes to reorganize the parking lot to increase faculty and staff parking in this area of campus.

- The University proposes to extend the underground utility lines through parking Lot 43 and replace the parking lot to increase the number of game-day and non-game-day parking spaces.

Klotz Tennis
Courts

The Klotz Tennis Courts, located directly south of Kinnick Stadium, are in need of replacement and will be relocated as part of a separate project; this site would provide the construction staging area for the Kinnick Stadium renovation.

The proposed site improvements would be consistent with the goals of the University's Stadium Drive Area Master Plan to encourage the development of efficient transportation and circulation systems that promote a pedestrian friendly environment and provide a safe and enjoyable game-day experience for the many visitors to Kinnick Stadium.

Square Footage
Table

The following table provides the programmed square footages for the project.

Detailed Building Program

South End Zone (New Construction)

Seating Bowl	66,000	
Main Concourse	38,000	
Locker Rooms/Support	<u>18,800</u>	
		122,800 nsf

Press Box (New Construction)

Main Concourse Level	19,000	
Mezzanine Space (mechanical, service and support space)	24,200	
Level 1 Suite/Indoor Club Level Seating	17,500	
Level 2 Outdoor Club Level Seating	22,500	
Level 3 Upper Suite Level Seating	12,900	
Level 4 Press Level	<u>14,500</u>	
		110,600 nsf

East and West Concourse Areas (Renovation)

	<u>84,600</u>	nsf
Total Net Assignable Space	<u>318,000</u>	nsf
Anticipated Gross Square Feet	<u>373,600</u>	gsf
Net-to-Gross Ratio = 85 percent		

Proposed Project
Phasing and
Schedule

To accomplish the project without disruption to the Kinnick Stadium football schedule, the work would be undertaken in two major phases, with a total of 20 to 30 construction packages. These packages would be scheduled to optimize productivity and on-site coordination, while maintaining a safe environment for both game-day and non-game-day activities in and around the stadium.

- The major, most disruptive construction work in each phase would be undertaken between football seasons during the months of December through August.
- The less disruptive construction work would continue throughout the football seasons, but would be scheduled so that no interruptions in game-day activities occur.

The proposed Phase 1 project would include the following:

- South end zone seating replacement;
- Klotz Tennis Courts removal;
- South concourse development;
- East concourse renovation;
- Construction of press box foundation;
- Initial South Plaza site work; and
- Initial Lot 43 replacement and campus utility work.

The Phase 1 packages would be bid so that construction would begin as soon as the 2004 home football schedule is completed; the University's goal is to complete the major Phase 1 work prior to the 2005 football season.

The proposed Phase 2 project would include the following:

- Press box demolition and reconstruction;
- West concourse renovation;
- Completion of Lot 43 replacement; and
- Completion of South Plaza construction and site work.

The Phase 2 packages would be bid so that construction would begin as soon as the 2005 home football schedule is completed; the University's goal is to have substantial completion of the project prior to the 2006 football season.

Current Cost

\$88.5 million, based on the master plan as outlined above.

Estimate and
Proposed
Funding

The University wishes to finance the project with the issuance of bonds to meet the aggressive construction schedule.

- Based on the current cost estimate of \$88.5 million, the University anticipates the issuance of between \$95 million and \$100 million in revenue bonds from January 2005 through September 2006.

The Board's financial advisor, Springsted Inc., is preparing a number of debt service schedules that would match the cash flow needs for the project.

- At this time, it is assumed that each bond issue would have 25-year principal payments.

Revenue to repay the debt service on the bonds would come from the following sources:

- Capital Campaign – Based upon past experience and recent survey work, Grenzebach, Glier and Associates estimates that between \$10 million and \$15 million in private funds can be raised for the project in addition to the funds to be realized through the premium seating campaign; gifts are expected to flow to the University during the first five years of the campaign.

- Premium Seating Areas within the New Press Box

<u>Seating Type</u>	<u>Estimated Annual Revenue</u>
40 Suites	\$2.0 million beginning with fall 2006 football season
310 Indoor Club Seats	\$1.5 million beginning with fall 2006 football season
1,144 Outdoor Club Seats	\$2.5 million beginning with fall 2006 football season

- I-Club Priority Seating Gift Program – The Department of Athletics plans to implement a gift requirement for fans sitting in the east and west stands; the fee would vary but would increase in value relative to the proximity of the seats to the 50-yard line.
- Concessions – The existing concession facilities would be expanded to increase the amount and diversity of concession offerings; conservative estimates from CSL indicate approximately \$195,000 in additional net revenue per game resulting from increased sales.
- Scoreboard/Sponsorship – The University expects that the new stadium scoreboards would generate additional advertising revenue for the Department of Athletics; however, no amount from this source has been included in the Financial Plan as a contribution toward the debt service payments.
- Ticket Surcharge – While the University currently has no plans to

implement a ticket surcharge, which many other universities have done, to help fund the renovation project, this has been identified as a potential revenue source that may be considered at a future date, if necessary.

Work by CSL and the University is being undertaken to ensure, with a high degree of confidence, that revenue adequate to meet all requirements of the project will be available. The information will subsequently be reviewed by Springsted. The complete Financial Plan will then be provided to the Board and reviewed with the Banking Committee and Board at future meetings.

Evaluation
Criteria

Since the project meets the Board's definition of a major capital project, the University has provided the following information in response to the Board's evaluation criteria.

Institutional
Mission/Strategic
Plan

As a NCAA Division 1-A institution and a member of the Big Ten Conference, the University of Iowa Athletic Department maintains a top-notch collegiate football program. The Hawkeye football team draws more than 400,000 fans and University of Iowa supporters to Kinnick Stadium each year. The football program and its athletes serve as a symbol for the University. Saturdays at Kinnick Stadium serve as an epicenter, not only for student life on campus, but for many from throughout the state. As such, Kinnick Stadium itself must remain a facility that is first and foremost safe. And despite its age of 74 years, it must also create a place that makes the game day experience for visitors enjoyable while presenting our commitment to excellence to both our Hawkeye fans as well as the visitors from other states and schools.

The University of Iowa Athletic Department mission statement reads:

"The mission of the Department of Intercollegiate Athletics is to provide the administrative and coaching support, facilities, resources and equipment necessary for student-athletes to graduate from the University of Iowa while participating in broad-based championship-caliber athletic competition. The overall well being of the participant and integrity of the program will be paramount in all that we do."

The University's commitment to providing opportunities for success to its student-athletes, regardless of the sport, rests predominantly with the largest and highest revenue-generating program: football. A Kinnick Stadium project that corrects the many long-standing deferred maintenance issues and addresses current facility shortcoming will ensure a long-term commitment to the success of our student-athletes.

Other Alternatives
Explored

Kinnick Stadium was built in 1929. Its history is rich, but apart from a significant and permanent reconstruction of the north bleachers roughly 20 years ago, much of the stadium has been untouched since its original construction 74 years ago. The University has carried out ongoing maintenance of the masonry portions of the structure, including phased tuckpointing in recent years.

The University has for some time engaged a structural engineer to perform an annual analysis of the structural system that supports the south bleacher portion of the stadium. This portion of the stadium remains the only seating area not supported by a permanent structure. The south end zone's wooden plank seating and walkways are supported by tubular steel framing, which has been in place for more than 20 years. The annual report identifies areas that have become damaged by rust and corrosion, and those areas are repaired before each season in order to provide a safe structural loading capacity. In recent years the report has identified a probable remaining life span for the south end zone structural system. Currently, the structural system has been assigned an effective life span of less than 5 years. There remains no option other than the replacement of the system in total. Additionally, the configuration of the south end zone creates crowd egress difficulties and does not provide easy access for persons with disabilities.

Based on standards of stadiums that are similar to the size and function of Kinnick Stadium, the number of both men's and women's toilet facilities are severely inadequate. Additionally, typical stadium standards call for a concession stand point-of-purchase (a cash register) for every 300 – 400 stadium seats. Currently, there are approximately 1,200 seats per point-of-purchase in Kinnick, resulting in long lines and congestion within the concourse areas. Below and through the concourse areas, maintenance needs are high due to plumbing systems and piping that have been in place since the building's original 1929 construction.

The press box has been in place since the mid-1950s and has been expanded to the extent possible within the limits created by the original structure. The resultant structure suffers from awkward elevation changes within the floors of the structure and ceiling heights that are below comfortable standards. Heating, cooling, and plumbing systems remain original to the structure. Only one elevator serves the entire press box, resulting in overloaded and inconvenient access to and egress from the structure.

These most pressing needs led the University to explore options for improvement. The one option that exists outside of renovating the existing stadium is relocation. Based on projects of similar scale and type throughout the country in recent years, the construction of a new 70,000-seat football stadium would most likely cost more than \$400 million, in addition to land acquisition and connecting transportation infrastructure costs. Additionally, and apart from the difficulties of

appropriate land acquisition, the relocation of the stadium would sacrifice the collegiate and unique atmosphere that has been a part of Iowa Football events for many decades. Completing improvements to Kinnick Stadium will address safety and quality concerns and will ensure that the structure continues to serve the needs of the University for the foreseeable future, will allow for the rich history of Iowa Football and the legend of Nile Kinnick to remain intact for future generations.

Impact on Other
Facilities and
Square Footage

The details of this question will be better defined as we begin to work with our design consultants in the development of the Schematic Design.

The University's feasibility study identified that the South bleachers and structure would be replaced. The objective will be to work within the constraints of current codes and ADA regulations while maintaining a similar number of seats.

Design efforts intend to increase the number of toilet fixtures and concession stands within the east and west concourses and in the newly formed south concourse. Existing spaces will be redesigned to provide efficient layouts, optimum use of available space and code compliant standards for service.

The existing and outdated press box will also be replaced. An increase in useful and revenue-generating spaces within the press box is expected to result in a larger enclosed space. Currently, the press box occupies 17,000 gross square feet. As identified in the Program Statement, the enclosed space within the press box replacement will total 110,600 square feet and will include spaces that can be used for year-round functions. This square footage is made up of 4 functional floors extending above the existing west seating bowl, mezzanine support space behind the seating bowl and ground floor space for entry and circulation. The details related to the design of each floor will be developed through Schematic Design of the facility.

Financial
Resources for
Construction
Project

The project will be driven by gifts to the Athletic Department and from revenue generated in spaces mainly contained within the renovated press box and premium seating areas. This added revenue in combination with an intended major gift campaign and a grass roots campaign are programmed to support the sale of revenue bonds that will be needed as a part of the financing. The University is completing both marketing and financial plan review of the project and associated funding. The resulting Financial Plan is near completion and will be reviewed with the Banking Committee and Board.

Financial
Resources for
Operations and
Maintenance

Current operating costs are programmed at approximately \$130,000 for utility costs and roughly \$5,000 for periodic and game-related cleaning. Operations and Maintenance completes a once-a-year cleaning of the entire press box facility and that activity will continue. All other maintenance costs are arranged by Athletics and paid for by revenue from programmed spaces. The increase in square footage, within the press box and in the concourses will be off-set by new and easier spaces and finishes to clean. Annual operations costs for repairs will also be reduced through replacement of antiquated systems. It is expected that utility costs for the new spaces will be approximately \$250,000 and cleaning costs will be roughly \$15,000 annually.

External Forces

Requirements of the Americans with Disabilities Act (ADA) remain a challenge at Kinnick Stadium. The University has made numerous physical changes in order to assure that minimum ADA requirements are met. The renovation of the press box and the south bleachers will improve accessibility and will bring Kinnick Stadium closer to a barrier-free environment. The safety of fans in the south bleachers is the motivating factor for its replacement.

University Hospitals and Clinics—Ambulatory Surgery Center and Procedure Suite Development

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Initial Review and Consideration of Capital Project Evaluation Criteria		Dec. 2003	Receive Report
Permission to Proceed with Project Planning		Dec. 2003	Requested

Background –
Ambulatory
Surgery Center
(ASC) and Main
Operating Room
(OR) Suite

The UIHC Ambulatory Surgery Center (ASC) and the adjoining Main Operating Room (OR) Suite are located in a total of approximately 60,000 gross square feet of space on the fifth floor of the Colloton Pavilion.

- The ASC, which occupies 20,000 gross square feet, became operational in 1986 with four operating rooms; two additional operating rooms were added since that time to respond to the steady increase in surgical case volume.
- The Main OR Suite occupies approximately 40,000 gross square feet; despite a number of operational enhancements to maximize operating room usage and efficiency, the Main OR Suite currently functions at an effective utilization rate of approximately 90 percent, with some surgical services approaching or exceeding 100 percent facility usage.

The lack of additional operating rooms for both the ASC and the Main OR Suite has begun to limit UIHC's ability to accommodate surgical patient growth.

- Over the last five years, patient volume has increased 27 percent in the ASC and 14 percent in the Main OR Suite.
- Assuming the availability of an adequate number of future operating rooms, ASC patient volume is estimated to increase from its present level of approximately 6,000 cases per year to 11,500 cases by the year 2016, an increase of more than 90 percent.
- Patient volume in the Main OR Suite is projected to increase approximately 2 percent per year for the foreseeable future.

ASC Current
Location
Constraints

The location and design of the ASC, and its adjacency to the Main OR Suite, have hindered the ability of the ASC to fulfill its primary mission of providing cost effective and efficient patient-centered care.

- The Colloton Pavilion site is difficult to locate and not easily accessible from the UIHC's multiple entrances and patient parking areas.
- The outdated design and structural constraints of the ASC limit facility modifications needed to respond to changes in ambulatory surgical practices.
- The ASC does not have sufficient capacity to separate pediatric and adult patients, nor can it adequately accommodate pre- and post-surgical patient care needs.
- The adjacency of the two surgical facilities has resulted in the ASC being operated as a component of the Main OR Suite; it has become exceedingly difficult to segregate the cases to be performed in each surgical facility, thereby limiting the ability of the ASC to implement process improvements for efficiency and cost effectiveness.

Departments of
Obstetrics and
Gynecology and
Dermatology

The laboratory and procedure rooms of the Department of Obstetrics and Gynecology In Vitro Fertilization (IVF) Program are currently housed in approximately 6,000 gross square feet of space in three scattered locations: the General Hospital (procedure rooms), the South Wing (specimen collection facilities), and the Medical Research Facility (special laboratories and storage facilities).

- The decentralization of these facilities results in patient and staff inconvenience, and functional and operational inefficiencies.
- Inadequacies in the existing IVF laboratory space have begun to limit the number of procedures the Program can perform.

The Department of Dermatology's minor surgical procedure rooms and laboratories are currently located in approximately 2,000 gross square feet of space in the Department's ambulatory care clinic in the Boyd Tower at the far north end of the UIHC complex.

The existing locations of the surgical functions of the IVF Program and Department of Dermatology, and their distance from other associated clinical services which have been relocated to new space in the south end of the UIHC complex, make it increasingly difficult to provide convenient, coordinated patient care.

UIHC wishes to relocate these surgical functions closer to the new Perinatal and Obstetrical Patient Care Units in the Pappajohn Pavilion, and the future home of the Department of Dermatology ambulatory care clinic in the Pomerantz Pavilion.

Project Scope	<p>Since the replacement facilities for the Department of Obstetrics and Gynecology IVF Program laboratories and procedure rooms, and the Department of Dermatology's surgical procedure rooms and laboratories, require the availability of support services similar to those required for the ASC (anesthesia staff and equipment, and patient reception, waiting, preparation and recovery, and other support areas), UIHC wishes to develop space in the Pomerantz Family Pavilion to consolidate these surgical functions; UIHC estimates that a number of efficiencies would be gained with the shared support services.</p> <p>The project would finish approximately 62,000 gross square feet of space on the fourth level of the Pomerantz Pavilion; the majority of the space would house the UIHC Ambulatory Surgery Center.</p> <ul style="list-style-type: none">• The project would provide the necessary space to accommodate the projected growth in UIHC ambulatory surgery services; the space to be vacated by the ASC in the Colloton Pavilion would accommodate the expansion and modernization of the adjacent Main OR Suite. <p>The project would also develop a 2,000 gross square foot entrance lobby and reception area, and complete approximately 3,200 gross square feet of space on the fourth level of the pedestrian walkway linking the Pomerantz and Pappajohn Pavilions.</p>
Anticipated Cost/Funding	<p>Estimated at \$22.5 million, to be funded University Hospitals Revenue Bonds and Building Usage Funds.</p>
Architect/Engineer Selection	<p>Granting permission to proceed with the project would allow the University to begin the architect/engineer selection process in accordance with the Board's <u>Policy Manual</u>, which requires the selection of an architectural firm for projects of \$1 million or more by an institutional Architectural Selection Committee.</p> <p>The University would return to the Board for approval of the selected firm and negotiated design agreement.</p> <hr/>

Evaluation Criteria	Since the project meets the Board's definition of a major capital project, the University has provided the following information in response to the Board's evaluation criteria.
Institutional Mission/Strategic Plan	Completion of this project will provide the ASC with the facilities required for it to meet its patient care mission of providing patient-centered surgical services of the highest quality and efficiency. The UIHC's educational and research missions will also be enhanced through development of the necessary space to more effectively provide surgical residency training and by providing the type of facilities required to conduct innovative clinical research. The project also supports several of the UIHC's current Strategic Plan goals and objectives, most notably by enabling the UIHC to excel in all aspects of service to our patients and their families and referring providers, by facilitating opportunities for operational and clinical efficiencies, by creating an environment that contributes to establishing the UIHC as the workplace of choice, by differentiating the UIHC clinically, by making possible incremental growth in service volume and revenue, and by implementing or enhancing interdisciplinary interaction and collaboration to enrich the patient care, teaching and research missions of the UIHC.
Other Alternatives Explored	Due to the aforementioned need to provide an adequate level of patient treatment and support space to meet the historical and projected increases in ASC and IVF Program patient volume, as well as for the other reasons cited above, there are no alternatives available other than to develop expansion space for these clinical services. A number of alternatives for a new ASC were explored, including renovation of the ASC in its current location. Adequate and efficient ASC facilities cannot be provided in the current ASC location, and all other alternatives explored provided for a new ASC separate from the Main OR. The various alternatives considered fall into two basic categories: building a new ASC within the UIHC or developing a new ASC in a location separate from the main UIHC complex. Building a new ASC in the location proposed in this request is the most cost effective and best meets the ASC patient care, educational and research missions, as well as meeting the needs of the IVF Program and Dermatologic Surgery. In addition, it further consolidates services that require the provision of anesthesia at a time when anesthesiology providers are in short supply. The project is also in concert with the goals of UIHC's Strategic Plan.
Impact on Other Facilities and Square Footage	As previously described, this project provides for the finishing of approximately sixty-two thousand gross square feet of space on the fourth level of the Pomerantz Family Pavilion, the development of a patient entrance lobby and reception area of approximately two thousand gross square feet, and the interior completion of approximately thirty-two hundred gross square feet of space on the fourth level of the four story pedestrian walkway linking the Pappajohn and Pomerantz Family Pavilions. On completion of this project the present Ambulatory Surgery Center space, totaling approximately twenty thousand gross square feet on the fifth level of the Colloton Pavilion, will be reassigned for use in meeting current and future space needs of the Main OR Suite, which will

continue to operate on this building level. Approximately six thousand gross square feet of space now occupied by the Department of Obstetrics and Gynecology's In Vitro Fertilization Program laboratories and procedure rooms and the Department of Dermatology's surgical procedure and support rooms, that are located in several sites in the Boyd Tower, General Hospital, South Wing and Medical Research Facility, will be reassigned to meet to meet other space needs of the UIHC and the Lucille A. and Roy J. Carver College of Medicine. No space will be abandoned or demolished.

Financial
Resources for
Construction
Project

The project will be funded through hospital revenue bonds and University Hospitals Building Usage Funds acquired from depreciation allowances of third parties underwriting the cost of patient care plus hospital net earnings from paying patients. No state capital appropriated dollars will be involved. The estimated internal rate of return over the life of this project is 15%.

Financial
Resources for
Operations and
Maintenance

The source of funds to cover the associated operating and maintenance costs will be hospital operating revenues derived from providing patient care services.

External Forces

The development of these facilities is a vital element in enabling the UIHC to meet all components of its tri-partite mission. As previously noted, the UIHC continues to experience a significant growth in ambulatory and inpatient surgical procedures that have resulted in a number of clinical services now experiencing difficulties in providing timely patient services due to the lack of space. Similar difficulties are also being experienced with the IVF Program.

University Hospitals and Clinics—Intermediate Pulmonary Care Unit Development

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Initial Review and Consideration of Capital Project Evaluation Criteria		Sept. 2003	Received Report
Permission to Proceed with Project Planning		Sept. 2003	Approved
Architectural Agreement (HLM Design USA, Iowa City, IA)	\$ 255,200	Dec. 2003	Requested

Background	<p>The UIHC Intermediate Pulmonary Care Unit, which is located within the Surgical Intensive Care Unit on the fifth level of the Pappajohn Pavilion, serves as the acute care “step-down” unit for the Medical Intensive Care Unit, which is located on the fifth level of the Carver Pavilion.</p> <p>The physical separation of the units’ facilities and health care providers results in operational inefficiencies and hinders the continuity of patient care.</p> <p>UIHC has a need to provide additional Medical Intensive Care/ Intermediate Pulmonary Care beds to meet the anticipated increase in clinical demand.</p>		
Project Scope	<p>The project would renovate approximately 11,000 gross square feet of space on the fifth level of the Carver Pavilion, adjacent to the existing Medical Intensive Care Unit, for the Intermediate Pulmonary Care “step-down” unit.</p> <p>The project would permit the consolidation of facilities and services devoted to the care of inpatients with pulmonary diseases, and provide opportunities for enhancements in patient care and inpatient unit operations.</p>		
Anticipated Cost/Funding	\$3.7 million to be funded by University Hospitals Building Usage Funds.		
Design Services	<p>Expressions of interest to provide design services for the project were received from three firms, all of which were interviewed with an institutional Architectural Selection Committee, in accordance with Board procedures for projects of \$1 million or more.</p> <p>Based on the Committee’s recommendation, the University requests approval of the selection of HLM Design USA, Iowa City, Iowa, to provide design services for the project.</p> <ul style="list-style-type: none"> • The firm was selected based on its professional qualifications, the quality of its previous UIHC work, and its overall presentation. <p>The agreement with HLM Design USA would provide full design services for a fee of \$255,200, including reimbursables.</p>		

West Campus Chilled Water Plant Development/Expansion

<u>Project Summary</u>			
	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Oct. 2002	Approved
Engineer Selection (Stanley Consultants, Muscatine, IA)		Jan. 2003	Approved
Executive Director Authorization to Approve Schematic Design Agreement		Jan. 2003	Approved
Negotiated Pre-Design and Schematic Design Agreement (Stanley Consultants, Muscatine, IA)	\$ 316,900	April 2003	Ratified*
Program Statement		June 2003	Approved
Schematic Design		June 2003	Approved
Initial Review and Consideration of Capital Project Evaluation Criteria		July 2003	Received Report
Engineering Agreement—Design Development and Construction Phase Design Services (Stanley Consultants, Muscatine, IA)	2,159,900	July 2003	Approved
Final Review and Consideration of Capital Project Evaluation Criteria		Oct. 2003	Requested
Project Description and Total Budget	39,400,000	Oct. 2003	Requested
Engineering Agreement—Construction Inspection (Midwest Construction Services, Solon, IA)	205,000	Dec. 2003	Requested
Construction Contract Award— C-01 Utility Relocation (Carter-Kirkpatrick Services)	1,593,000	Dec. 2003	Ratification

* Approved by Executive Director as authorized by Board in January 2003.

Project Background	<p>The West Campus Chilled Water Plant provides chilled water service for the academic and medical facilities on the west campus; the plant has a current capacity of 16,000 tons.</p> <p>The plant was constructed in 1970 and the equipment was installed in phases, with the last 3,000 tons of cooling capacity installed in 1988.</p> <p>The continuing expansion of the west campus and the growth of the Arts Campus require an increase in the capacity of the West Campus Chilled Water Plant.</p>
Project Scope	<p>The project, as approved by the Board in October 2003, would construct an addition to the West Campus Chilled Water Plant to increase the plant's chilled water capacity by 12,000 tons and would provide for future expansion by an additional 4,000 tons; this amount represents the University's current estimate of future west campus and Arts Campus cooling requirements.</p>

Project Schedule	The University plans to begin the utility relocation work in January 2004 and the building construction in July 2004. The University anticipates that this would allow start-up of the first chiller in August 2005, and full operation of the facility in December 2005.
Funding	Future sale of Utility System Revenue Bonds. (The calendar year 2004 bond issuance schedule includes a sale in March 2004 for the project.)
Engineering Agreement	<p>The agreement with Midwest Construction Services, Solon, Iowa, would provide full-time construction inspection services for the project.</p> <ul style="list-style-type: none">• The services would include monitoring construction schedules, ensuring contractor compliance with contract documents, maintaining construction records, attending progress meetings, and maintaining record drawing updates. <p>The agreement with Midwest Construction Services provides an hourly fee with a not to exceed amount of \$205,000, including reimbursables.</p>

University of Iowa Hospitals and Clinics Roofing Replacement—Roof Group 14

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Engineering Agreement (Shive-Hattery, Cedar Rapids, IA)	\$ 27,050	Sept. 2003	Not Required*
Project Description and Total Budget	987,000	Dec. 2003	Requested

* Approved by Executive Director in accordance with Board procedures

Background	<p>The existing materials on multiple roof levels of the Carver, Colloton and Pappajohn Pavilions are deteriorated and suffer from a number of leaks which require considerable maintenance.</p> <p>The roof areas, which total 28,265 square feet, consist of a rubber membrane material ranging in age from 13 to 17 years; the life expectancy of the material was approximately 10 years.</p>
Project Scope	<p>The project would remove the existing roofing material and install a built-up roofing material. (Damaged insulation would be replaced as required.)</p> <p>The replacement material was selected for its durability, resistance to foot traffic, and life expectancy (15 to 20 years). An extended warranty is provided by the manufacturer.</p>
Funding	University Hospitals Building Usage Funds.

Project Budget

Construction	\$ 790,000
Professional Fees	79,000
Planning and Supervision	39,000
Contingency	<u>79,000</u>
TOTAL	<u>\$ 987,000</u>

University Hospitals and Clinics—Colloton Pavilion Water Pressure Regulator Replacement

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 338,000	Dec. 2003	Requested

Background The approximately 20 year old water pressure regulators for the Colloton Pavilion domestic water system are failing due to their age.

As a result, UIHC is unable to maintain a consistent and manageable hot water supply in the Colloton Pavilion due to pressure variations resulting from the malfunctioning regulators.

Project Scope The project would remove and replace the pressure regulating valves and related components in the clinic and inpatient areas throughout the Colloton Pavilion. The project would also balance the Colloton Pavilion domestic water system for better control of hot water temperatures.


The project would improve infection control, reduce wasted water, and improve patient, visitor and staff satisfaction.

Funding University Hospitals Building Usage Funds.

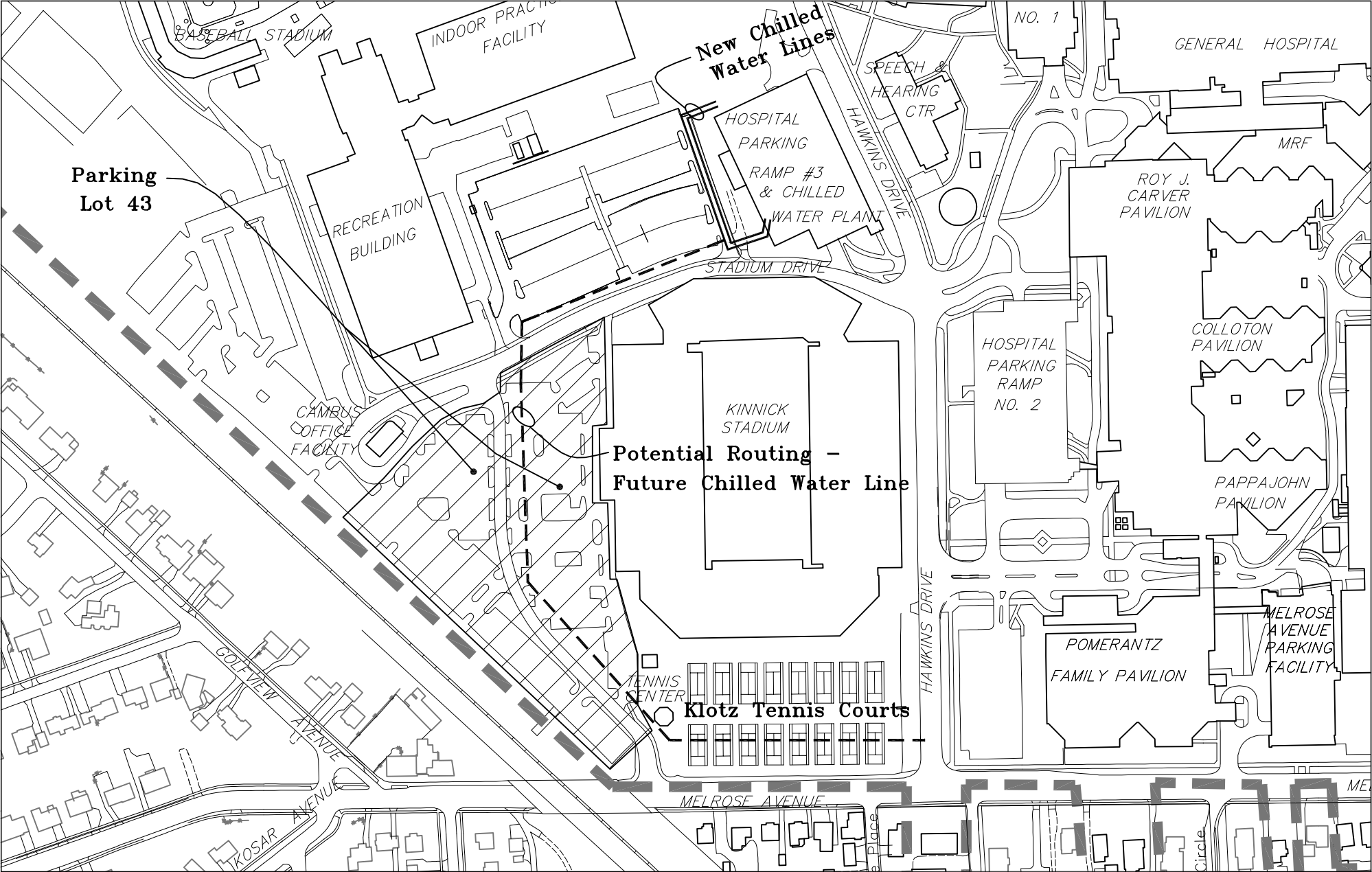
Project Budget

Construction	\$ 270,000
Professional Fees	27,000
Planning and Supervision	14,000
Contingency	<u>27,000</u>
TOTAL	<u>\$ 338,000</u>

Also presented for Board ratification are two architect/engineer amendments, 13 construction contracts awarded by the Executive Director or the University, the acceptance of one completed construction contract, and seven final reports. The register prepared by the University is included in the Regent Exhibit Book.


Sheila Doyle

Approved: 
Gregory S. Nichols



**THE UNIVERSITY
OF IOWA**

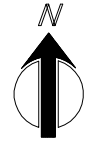
PLOTTED 12-04-03
Kinnick Stadium-rev2.dwg

Legend

— University
Property Line

LOCATION MAP

Kinnick Stadium Area Map



Scale: 1" = 250'